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COMPUTER
# decisions
FEBRUARY 12, 1985
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HAYDEN PUBLICATION

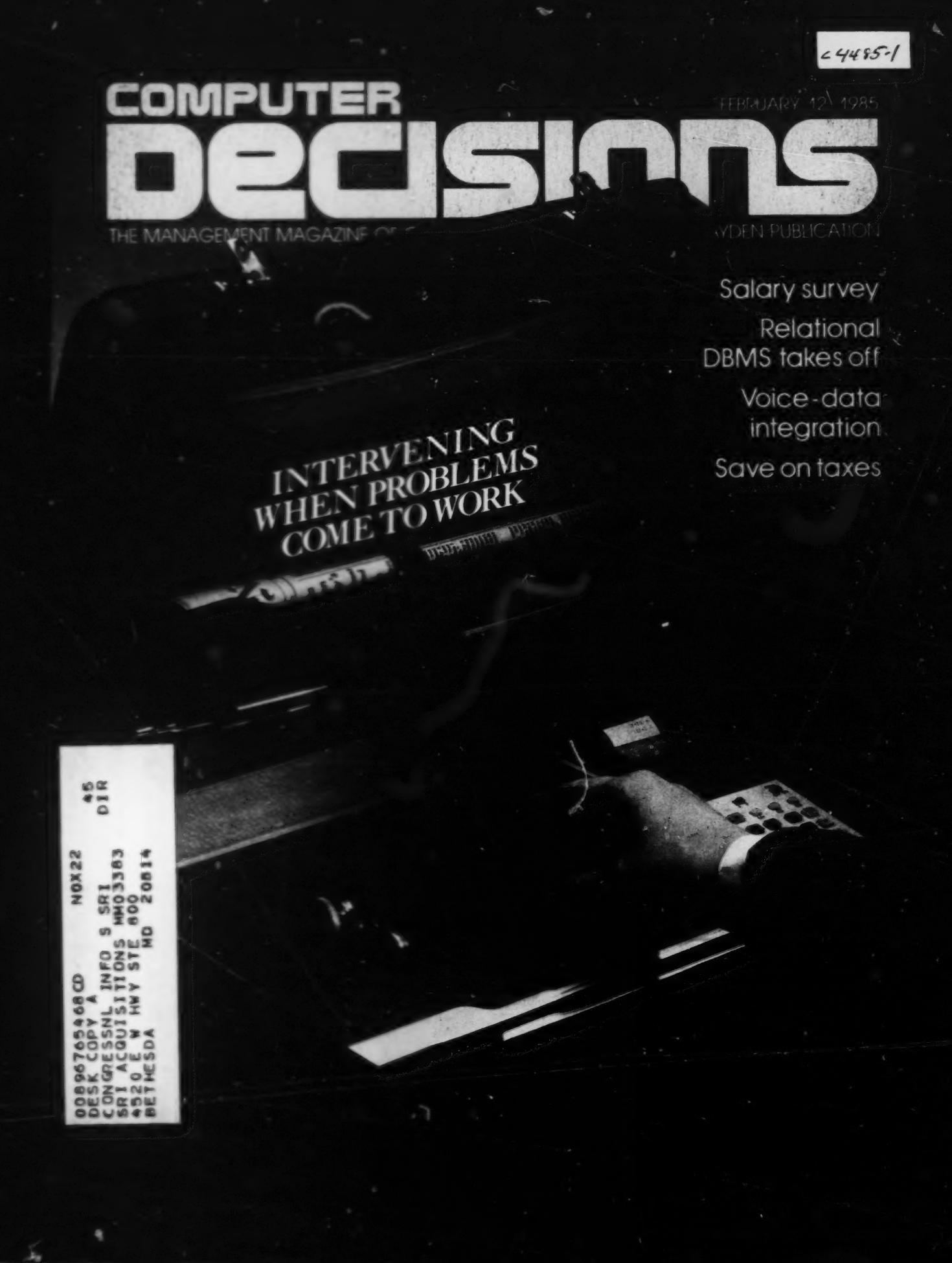
Salary survey

Relational DBMS takes off

Voice-data integration

Save on taxes

## INTERVENING WHEN PROBLEMS COME TO WORK



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COVER PHOTO: Jeff Glancz

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by Miriam Lacob

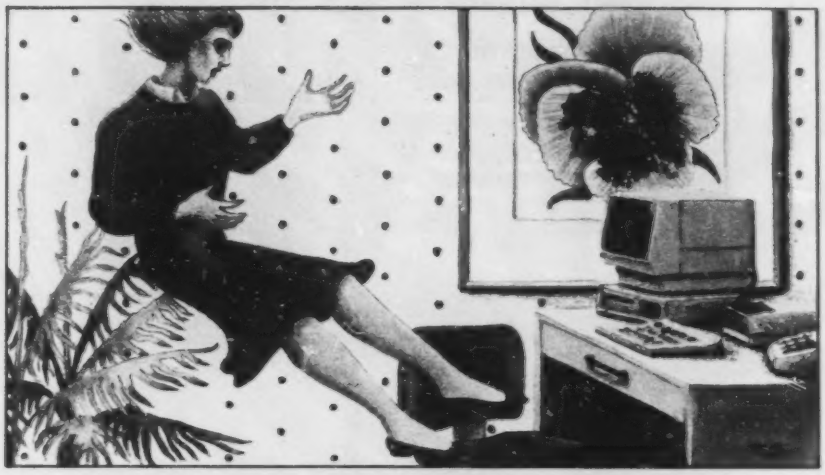


Illustration by Ted Glazer

# SINGLE-SITE SURVIVORS

It may take a considerably smaller investment to automate a single-site office than it does a Fortune 1,000 corporation, but that doesn't mean the same risks and long-term concerns don't apply. Like their Fortune 1,000 compatriots, single-site OA planners don't purchase equipment for the short haul. With less money to spend, single-site planners have little room for error. They must do it right the first time around—and that means ensuring that the system will be expandable and serviceable five or 10 years down the line.

With these problems in mind, *Computer Decisions* launched an annual survey of OA experts to assess the five-year futures of well-known vendors. In this year's survey, 75 members of the Office Automation Society International were asked to predict which of 39 vendors would still be around in five years and to rate these vendors separately as suppliers to Fortune 1,000 corporations and to single-site organizations. The January 15th issue lists the respondents' views on Fortune 1,000 suppliers. Here are the results of the single-site survey.

Respondents were asked to assign a rating of "sure survivor," "likely survivor," or "not likely to survive" to each vendor. A "weight" of 10 was assigned to each "sure-survivor" vote, 6 to each "likely-survivor" vote, and 2 to each "not-likely" vote. Because 32 experts responded to the single-site survey, the highest possible score any vendor could attain was 320.

IBM, which clinched first place in the Fortune 1,000 survey, tied Wang Laboratories for first place in the single-site survey. IBM edged out Wang on "sure-survivor" votes, with 25 votes to Wang's 23. Apple Computer, which was voted number one in last year's single-site survey, slipped back to its 1982 third-place position.

Although IBM regained first place, some OA experts say this lead does not signal Big Blue's unqualified success with single-site buyers. A major problem, they say, is the incompatibility of IBM's upgraded products with older systems.

Unseated by IBM and Wang, Apple Computer fared better in the single-site survey than in the Fortune 1,000 survey, in which it dropped five places to 12th position. Apple is followed closely by Hewlett-Packard, which has made steady progress in the single-site survey, moving from 11th place to third place in three years.

Apple is not the only manufacturer that lost ground in the 1984 survey. Digital Equipment Corp. (DEC) dropped from third place to sixth place. Some analysts ascribe DEC's poor showing to a general perception that the No. 2 computer maker is more committed to minicomputers than it is to personal computers.

Like DEC, Tandy Corp. (Radio Shack) has lost some ground to Hewlett-Packard. Dropping to ninth place

*(Continued on page 64)*

(Continued from page 60)

from sixth place, Tandy rates considerably higher as a single-site supplier than as a Fortune 1,000 vendor.

Nevertheless, some OA experts believe Tandy will have to improve its service policy to keep its place in the top 10. "The average 50-employee office can't retain a high-priced staffer just to service equipment," says Robert L. Bland, director of computer services for Giffels Associates, Southfield, MI. "An OA planner for a single-site office should look for a manufacturer that can install a system and make it work." □

*Miriam Lacob is a free-lance writer based in New York City.*

## THE SINGLE-SITE SURVIVORS

| Company | 1990 | SS Votes | Ranking | Prior Survey | SS Votes | 1982 Survey | SS Votes |
|---|---|---|---|---|---|---|---|
| AES Savin | 96 | 0 | 30 | – | – | – | – |
| Apple Computer | 264 | 20 | 2 | 334 | 31 | 162 | 10 |
| Anaconda-Ericsson | 72 | 1 | 32 | 62 | 1 | – | – |
| Anderson Jacobson | 124 | 3 | 23 | 114 | 4 | 54 | 1 |
| AT&T Technologies | 262 | 20 | 3 (tie) | 218 | 16 | 128 | 10 |
| Bell & Howell | 144 | 6 | 18 | 172 | 11 | – | – |
| Burroughs | 160 | 6 | 15 | 180 | 7 | 70 | 1 |
| Canon | 170 | 8 | 12 | – | – | – | – |
| Computer Consoles | 112 | 4 | 27 | – | – | – | – |
| CPT | 146 | 4 | 17 (tie) | 160 | 7 | 124 | 6 |
| Data General | 236 | 16 | 5 | 170 | 8 | 70 | 0 |
| Datapoint | 164 | 6 | 13 | 152 | 4 | 76 | 1 |
| A.B. Dick | 116 | 3 | 26 | 134 | 3 | 78 | 1 |
| Digital Equipment | 250 | 20 | 4 | 272 | 19 | 152 | 12 |
| Exxon Office Syst. | 122 | 6 | 24 | 158 | 6 | 48 | 0 |
| Hewlett-Packard | 262 | 19 | 3 (tie) | 230 | 16 | 116 | 7 |
| Honeywell | 128 | 4 | 22 | 182 | 7 | 84 | 2 |
| IBM | 280 | 25 | 1 (tie) | 312 | 30 | 178 | 17 |
| Kodak | 180 | 11 | 10 | 192 | 11 | – | – |
| Lanier (Harris) | 136 | 3 | 21 | 184 | 6 | 148 | 9 |
| Motorola (Four-Phase) | 140 | 5 | 20 | 126 | 4 | 74 | 0 |
| NBI | 190 | 7 | 8 | 124 | 4 | 132 | 5 |
| NEC Information Syst. | 162 | 7 | 14 | 130 | 8 | 92 | 1 |
| Nixdorf | 100 | 1 | 29 (tie) | 88 | 2 | 60 | 0 |
| Northern Telecom | 186 | 5 | 9 | 162 | 8 | 74 | 2 |
| Olivetti | 146 | 5 | 17 (tie) | 138 | 5 | 92 | 2 |
| Philips (Micom) | 120 | 2 | 25 | 82 | 4 | 90 | 1 |
| Prime Computer | 142 | 3 | 19 (tie) | 174 | 8 | 88 | 0 |
| Rolm | 198 | 9 | 7 (tie) | 114 | 4 | 62 | 1 |
| Royal | 82 | 0 | 31 | 104 | 2 | 80 | 0 |
| Sony | 150 | 3 | 16 | 152 | 6 | 94 | 2 |
| Sperry | 142 | 4 | 19 (tie) | 122 | 3 | 58 | 1 |
| Syntrex | 100 | 2 | 29 | 98 | 3 | 74 | 0 |
| Tandem | 110 | 3 | 28 | 104 | 2 | 94 | 1 |
| Tandy (Radio Shack) | 218 | 12 | 6 | 230 | 14 | 160 | 10 |
| 3M | 172 | 8 | 11 | 180 | 10 | – | – |
| Wang Labs. | 280 | 23 | 1 (tie) | 256 | 21 | 172 | 16 |
| Wordplex | 68 | 0 | 33 | 84 | 2 | 26 | 0 |
| Xerox | 198 | 9 | 7 (tie) | 222 | 14 | 136 | 8 |

*The ratings of single-site survivors are based on responses from OA experts asked to predict which OA vendors will still be in the game in five years. Scores in the year columns indicate the cumulative tallies for each vendor of "sure-survivor" votes (10 points), "likely survivor" votes (6 points), and "not likely" votes (2 points). "Sure-survivor" votes (denoted as SS Votes) are listed on the chart.*

# DID YOU RAISE THE ANTE IN '84?

*1984 wasn't the year for big cuts or big bucks, say MIS/dp managers. Here's the bottom line.*

by David Whieldon, Senior Editor

The good news for MIS/dp managers last year came in the form of fatter pay checks. The bad news: Despite a booming economy, MIS/dp management salaries rose more modestly than in previous years. According to *Computer Decisions*' sixth annual Salary-Status Survey, which was conducted by Abbott, Langer & Associates, MIS/dp managers' 1984 salaries rose an average of 6.6 percent, a figure that corresponds closely to findings of studies of other professions and that indicates MIS/dp management is doing just as well in terms of salary increases as other managers and executives.

Although MIS/dp managers didn't see as big a salary hike in 1984 as they did last year and the year before—7.8 percent and 9.1 percent over one year respectively—few had to fear wage freezes and cuts, a change from previous years. About one in three managers received raises between 5 percent and 7.9 percent. Only 14.4 percent of the survey's 1,328 respondents acknowledged not having received raises during 1984, and only 1.3 percent took pay cuts.

Other types of cash compensation, such as bonuses, profit-sharing, and stock options typically ranging from $1,500 to $5,000, were received by slightly more respondents in 1984 than in 1983. According to the survey, last year one in three managers benefited from cash bonuses, one in four took part in a profit-sharing plan, and one in five profited from stock options. Cash bonuses and profit-sharing were most common in the manufacturing and processing, finance, wholesale and retail trades, and in construction, mining, and agriculture.

Although the gains in cash compensation were modest at best in 1984, more respondents than ever benefited

from indirect remuneration. One in three managers reported that their club and society memberships were paid for by their employers, as opposed to one in four the year previous. There was an even bigger increase in reimbursements for moving expenses, with the percentage of those covered doubling in 1984 to almost three in five. In addition, 25 percent of the respondents said their employers provide investment-fund management, an increase of 15 percent from 1983.

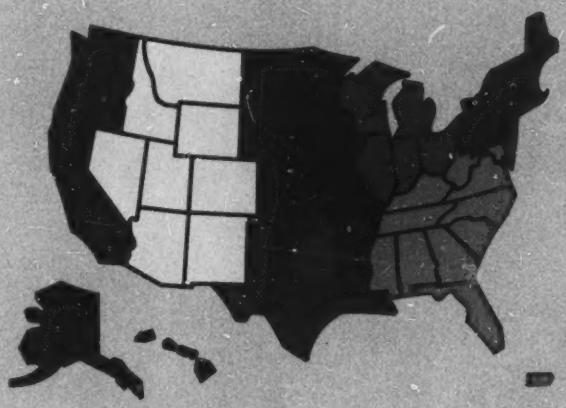
In 1984, according to the survey, an MIS executive (MIS/IS manager) typically earned $45,000 annually nationwide. The median for MIS/dp managers was $39,200. The typical salary for data-processing managers was $36,000. As the accompanying charts indicate, salaries varied regionally and from one metropolitan area to another. They varied, too, by kind of organization, by sales volume or total assets, by MIS/dp budget, number of employees, and number of technical employees supervised. Organizations in banking and finance tend to pay MIS/dp managers best, followed by those in manufacturing, processing, and extraction—a trend noted in past surveys. In addition, as a rule, the more money an organization handles and the more employees it has, the higher is the salary of its MIS/dp managers. For instance, a corporation with an annual MIS/dp budget of $10 million paid its MIS/dp manager more than twice as much as a corporation with a budget of less than $100,000.

Just who is the typical MIS/dp manager? According to the survey, the

**The median salary for MIS/dp managers was $39,200.**

MIS/dp Everyman is a man in his 40s who has been working in MIS/dp for about 13 years. He works for an organization that has a median of $223,976,000 in sales and a median MIS/dp budget of $854,546. (The average budget—all budget money divided by the number of respondents—was in excess of $5.5 million.) Slightly more than 70 percent of the respondents are in charge of departmental or organizational dp or organizational MIS

## REGIONAL AND METRO-AREA SALARIES



**Overall median salaries**
■ Top MIS/IS executive $45,000,
■ Top MIS/dp manager 39,200, ■ Top dp manager 36,000

| | | | | | |
|---|---|---|---|---|---|
| ■ Northeast | N/A | ■ Midwest | N/A | ■ Southwest | N/A |
| | $39,000 | | $40,148 | | $36,500 |
| | 30,500 | | 31,360 | | 33,000 |
| New York City | N/A | Ohio | N/A | Dallas-Fort Worth | N/A |
| | $55,600 | | $33,000 | | $37,500 |
| | 53,850 | | N/A | | N/A |
| Philadelphia | N/A | Detroit | N/A | Houston | N/A |
| | $40,675 | | $38,000 | | $38,250 |
| | 33,900 | | N/A | | N/A |
| Chicago | N/A | ■ North Central | N/A | ■ Pacific | N/A |
| | $40,000 | | $32,796 | | $45,500 |
| | 38,472 | | 31,800 | | 41,000 |
| ■ South | $38,313 | Minneapolis-St. Paul | N/A | San Francisco-Oakland | $52,000 |
| | 41,500 | | $43,500 | | N/A |
| | 38,250 | | N/A | | N/A |
| Baltimore | N/A | St. Louis | N/A | Los Angeles-Long Beach | $54,816 |
| | $32,350 | | $33,800 | | 41,000 |
| | N/A | | N/A | | 40,000 |
| Washington | N/A | Kansas City | N/A | | |
| | $32,000 | | $44,280 | | |
| | N/A | | 30,000 | | |
| Atlanta | N/A | □ Mountain | N/A | | |
| | $42,982 | | $40,626 | | |
| | 35,000 | | 36,218 | | |
| Florida | N/A | Denver-Colorado Springs | N/A | | |
| | $43,000 | | $43,750 | | |
| | 35,000 | | N/A | | |

*Note: The regional salary figures, shown without labels, are median salaries in small towns up through moderate-size cities—and are typically lower than salaries in large urban centers.*
*N/A = not available*

and 60 percent supervise one to nine employees. Three out of five MIS/dp managers surveyed say they would prefer staying in MIS/dp rather than moving into general management, but the majority would accept an MIS/dp position at another organization if the incentives were attractive enough. Among the chief incentives, a substantial pay increase was ranked first by 94 percent of those surveyed, followed by bonuses, greater challenge, more autonomy, profit-sharing, and better retirement benefits.

However, MIS/dp managers' willingness to change jobs for better pay should not be confused with desire. In 1984, only three percent of the respondents said they switched jobs for a salary boost. One manager reported that she fared very well by so doing. Now in charge of MIS for a rental organization in a southwestern city, this young woman, still under 30, was offered a raise to move and has since received a second raise. Her employer increased her previous salary by 17 percent, bringing her present earnings to between $30,000 and $40,000. Would she switch jobs one more time? Yes, but only if she were offered between 23 percent and 26 percent on top of her present salary.

Although this manager's experience is the exception rather than the rule, her case illuminates the incongruity between what most managers say they are willing to do—change jobs for more pay—and what they do—remain where they are. Probably the same factors that have kept pay hikes low, such as the cooling of inflation and the stabilization of the MIS/dp job market, have kept managers from seeking more lucrative positions. The era of the runaway pay scale for MIS/dp talent appears to have ended, except, perhaps, in metropolitan areas like Dallas-Fort Worth, where MIS/dp job opportunities outnumber applicants.

Yet, the "playing it safe" strategy only partially accounts for MIS/dp managers' conservatism. The survey found that these managers are, indeed, content with their jobs and, although they believe that they are under more stress than general managers, they perceive their salaries to be "better than others." With the exception of 6.8 percent of the respondents who received promotions as well as raises, most of those surveyed received more money for doing the same work.

Just as the decline of cash compensation percentage-wise reported by MIS/dp managers is in keeping with national trends, so is the reduction of benefits—specifically, the extent of medical insurance coverage provided by employers—noted by the respondents. Although more managers than ever are receiving benefits of every kind and, according to the American Society of Personnel Administration, benefits now boost salaries by about 37 percent, one respondent in four from manufacturing and processing industries and one in three from the fields of finance, insurance, and government had to take some kind of cut in benefits, which indicates that upper management across the board is trying to keep a lid on the costs of medical and dental insurance. According to the survey,

(Continued on page 104)

## WHICH INDUSTRIES PAY?

| | Top MIS/IS executive | Top MIS/dp manager | Top dp manager |
|---|---|---|---|
| Banking, finance | N/A | $41,200 | $31,280 |
| Manufacturing, processing, extraction | $45,000 | 39,786 | 35,500 |
| Health services | N/A | 33,750 | 33,000 |
| Merchandising (wholesale, retail) | N/A | N/A | 32,750 |
| Government (including military) | 38,693 | 34,650 | N/A |
| Education | 40,325 | 37,500 | 32,500 |

*N/A = not available*

## BIG SALES—BIG CHECKS

| Manufacturing, processing, and extraction gross sales | Top MIS/IS executive | Top MIS/dp manager | Top dp manager |
|---|---|---|---|
| $100,000,000 to $499,999,999 | N/A | $52,000 | $45,000 |
| $25,000,000 to $99,999,999 | N/A | 40,000 | 36,500 |
| **Other than manufacturing gross sales** | | | |
| $100,000,000 to $499,999,999 | $56,808 | 47,500 | 41,862 |
| $25,000,000 to $99,999,999 | 44,500 | 42,000 | 36,044 |

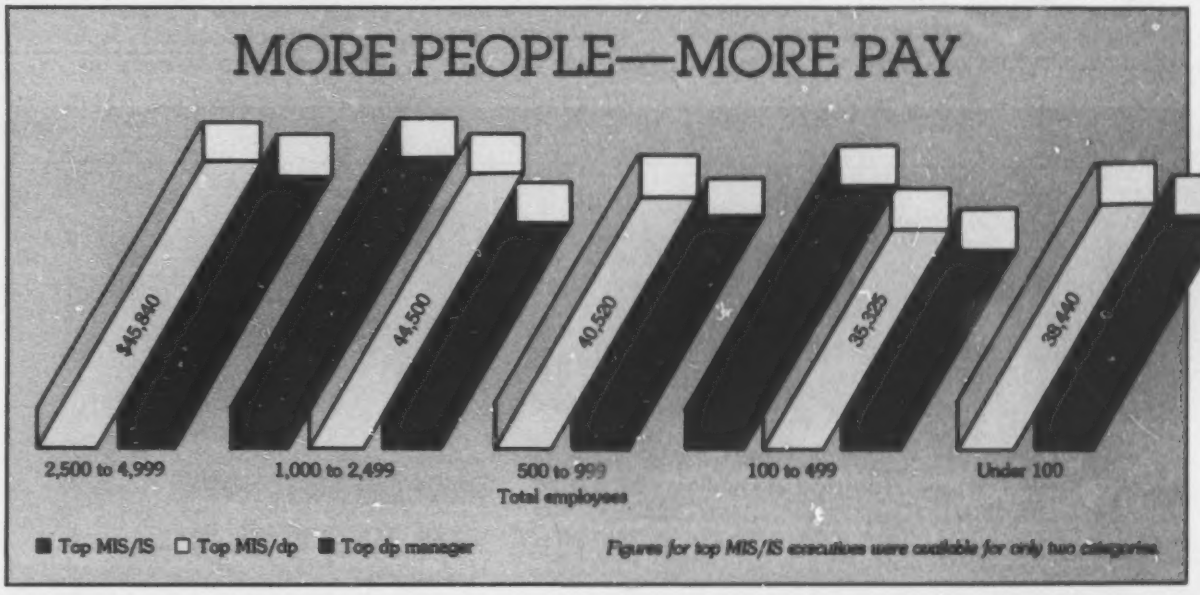
*N/A = not available*

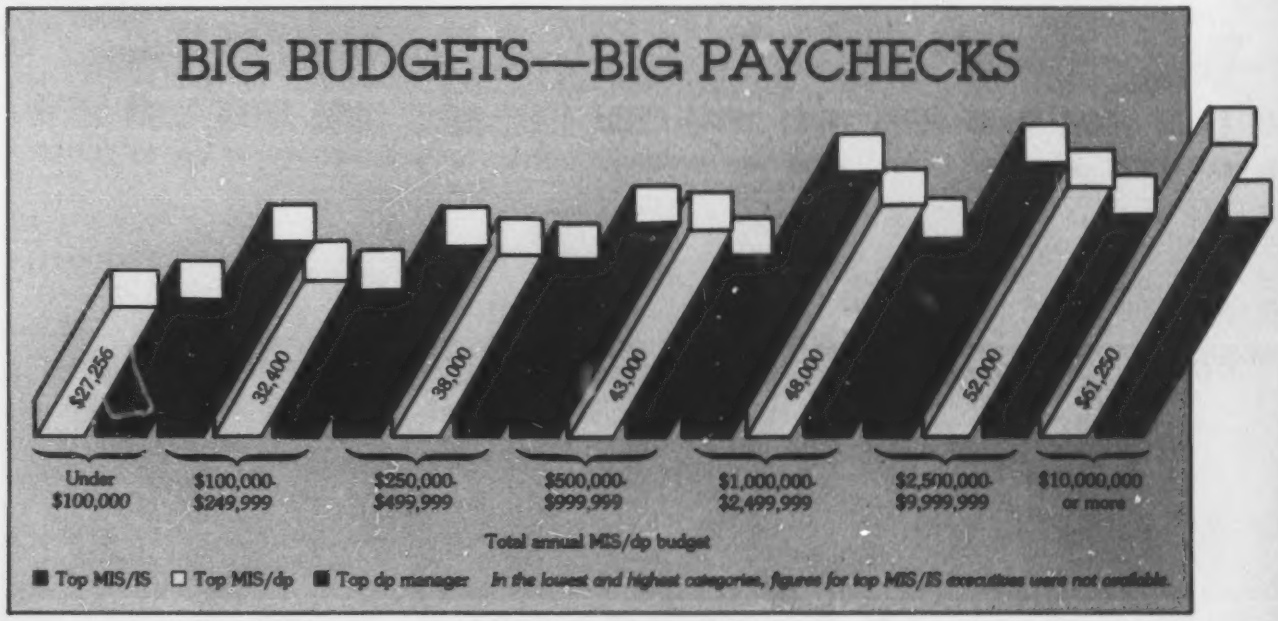
(Continued from page 101)

managers in the south Atlantic states and mountain states saw the biggest reduction in benefits; those in the Pacific states were least affected.

Like many large corporations, Southland Corp., the Dallas-based operator of the 7-Eleven convenience-store chain, has altered its benefits plan. "In 1983, we raised the deductible for medical coverage from $100 to $150," says Matthew A. Sauer, manager of compensation and benefits. "We also instituted a hospital deductible, something we'd never had before. We changed our coinsurance, too, from 80 percent paid by the company and 20 percent paid by the employee to 70 percent and 30 percent respectively. Moreover, hospital stays have to be preauthorized by an outside agency before they are paid for. If approved, they'll be paid for at the 80 percent/20 percent rate, but if not, the 70 percent/30 percent ratio applies. I see other corporations moving in this direction."

Does the direction corporations such as Southland are taking portend the worst for benefits packages? Not necessarily. In many categories, including life-insurance and dental coverage, the number of managers insured rose in 1984. An even more significant finding, however, is the fact that about 12 percent of those surveyed enjoy a cafeteria-style benefits plan, which al-



lows them to choose the benefits they need most. A small but growing trend nationally, this option may reflect a movement away from the "all or nothing" philosophy that holds sway on both sides of the negotiating table. It also reduces the number of employees covered by two benefits packages, such as working couples who carry full medical coverage for themselves and their children under two separate plans. Not only is this flexible plan more cost-effective for employers, but it allows employees to substitute a desirable benefit for a duplicated benefit.

Although the reduction of medical benefits nationwide—a reaction to the soaring costs of health care during the last decade—is irrefutable, MIS/dp managers who work for large organizations with large revenues will fare better than those who work for smaller firms, which suggests that it helps to be in the right place even at the wrong time. This adage holds true for other benefits as well. For example, more than 90 percent of MIS/dp managers in the fields of finance, insurance, government, and education are offered pension plans, as opposed to slightly more than 70 percent of those working in wholesale and retail trades and in construction, mining, and agriculture. In addition, 96.6 percent of MIS/dp managers at corporations with sales of $1 billion or more can look forward to retirement payments, while only 71.7 percent of MIS/dp managers in corporations with revenues of less than $5 million can do so.

On balance, MIS/dp managers' direct and indirect rewards are substantial. 1984 was a year of gains, however modest. All signals suggest that as the economy slows in 1985, the good news will continue. □

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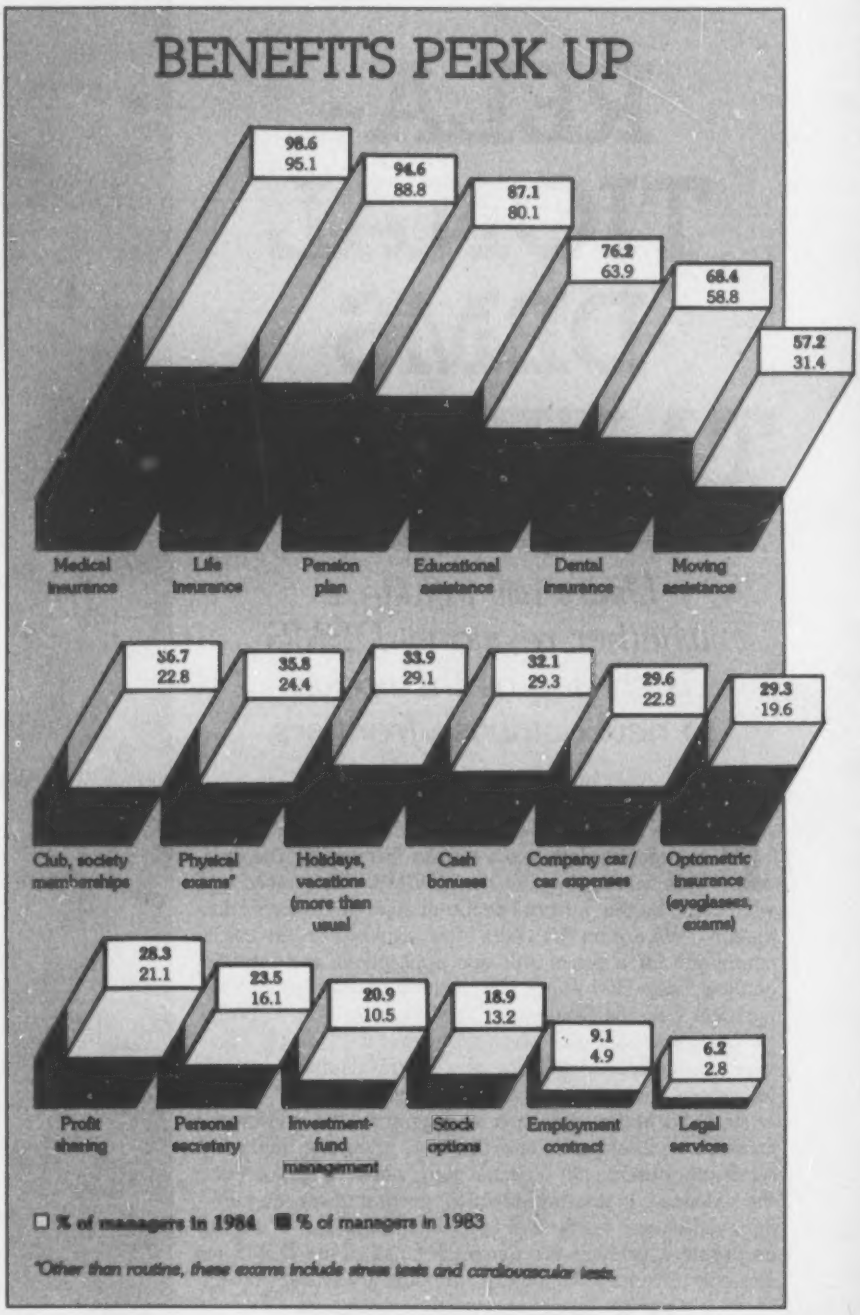
Computer Decisions' *sixth annual Salary-Status Survey was mailed to 27,206 randomly selected MIS/dp managers in 50 states and Puerto Rico who constituted about 45 percent of its circulation list. The survey, which was supervised by Abbott, Langer & Associates, a consulting firm, consisted of two questionnaires: a personal questionnaire and a compensation questionnaire.*

*Abbott, Langer & Associates mailed the survey to the managers on August 1, 1984. Recipients were requested to return the forms by September 20 with data effective August 1. The responses included 1,328 personal questionnaires and 1,089 compensation questionnaires.*

*For a complete listing of the findings of the survey, a report, entitled "Compensation in the MIS/dp field, second edition," is available for $250 from Abbott, Langer & Associates, 548 First St., Crete, IL 60417. The phone number is (312) 672-4200.*



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